

CERTIFICATION OF BUDGET

ADOPTION OF BUDGET INFORMATION:

In compliance with Title 17A, Part 4 of the Utah Code, I, the undersigned, certify that the attached budget document is a true and correct copy of the budget of the Jordan Valley Water Conservancy District for the fiscal year ending June 30, 2008, as approved and adopted by resolution on June 13, 2007. A public hearing, which met the requirements of the Utah Code, Section (indicate which):

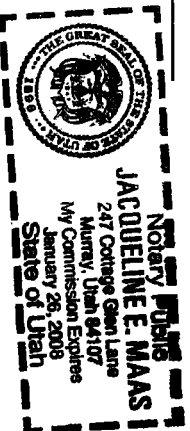
- [] 17A-1-412 and 413 (applicable to entities who are adopting a budget prior to beginning of the fiscal year)
- [X] 59-2-918 and 919 (applicable to entities who have budgeted a tax rate increase)

was held on June 13, 2007.

Signed: Richard P. Bay
Budget Officer

Subscribed and sworn to this 22
day of June, 2007.

Jacqueline E. Maas
(Notary Public)



JORDAN VALLEY WATER CONSERVANCY DISTRICT

BUDGET

For the Fiscal Year Ending June 30, 2008

ENTERPRISE FUND

REVENUES:	(2005/2006) <u>PRIOR YEAR</u>	(2006/2007) <u>CURRENT YEAR</u>	(2007/2008) <u>BUDGET</u>
Taxes:			
Property	\$8,169,617	\$8,075,000	\$11,733,071
Other: Delinquent	377,798	250,000	247,884
Vehicle Collections (formerly fee-in-lieu)	975,792	975,000	975,000
Charges for Services	28,095,811	29,025,000	29,778,071
Interest Income	2,420,327	1,785,678	2,132,346
Other: Miscellaneous	1,177,287	1,655,950	874,213

TOTAL REVENUES: \$41,216,632 \$41,766,628 \$45,740,585

EXPENSES:

Salaries & Benefits	9,343,707	9,800,000	10,343,991
Other Operating Expenses	12,585,776	14,055,505	15,589,745
Depreciation	0	0	0
Capital Outlay	0	0	0
Debt Service P&I	9,660,314	10,125,000	10,036,185
Contribution to Fund Balance			9,770,664

TOTAL EXPENSES: \$31,589,797 \$33,980,505 \$45,740,585

INCOME OR (LOSS) \$9,626,835 \$7,786,123 0



Resolution of the Board of Trustees

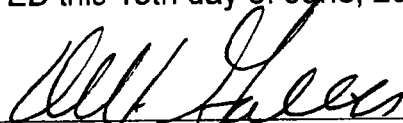
RESOLUTION NO. 07-13

ADOPTING THE JORDAN VALLEY WATER CONSERVANCY DISTRICT'S
BUDGET AND FINANCIAL PLAN FOR FISCAL YEAR 2007-2008

BE IT RESOLVED by the Jordan Valley Water Conservancy District's Board
of Trustees:

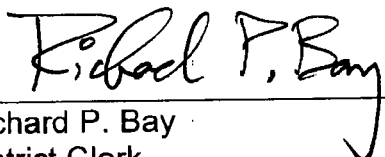
1. The budget and financial plan attached as Exhibit 1 are hereby approved and adopted as the Jordan Valley Water Conservancy District's budget for the fiscal year 2007-2008.
2. A copy of the final budget for each fund shall be certified by the budget officer and filed with the State Auditor within thirty (30) days after passage of this Resolution.
3. This Resolution shall take effect upon approval by the Board.

PASSED, ADOPTED and APPROVED this 13th day of June, 2007.

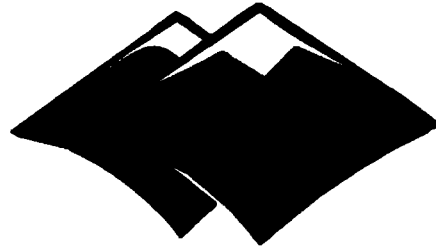


Dale F. Gardiner
Chair of the Board of Trustees

ATTEST:



Richard P. Bay
District Clerk



**JORDAN VALLEY WATER
CONSERVANCY DISTRICT**

**FINANCIAL PLAN
FOR THE
2007/2008 BUDGET**

July 1, 2007 through June 30, 2008

PARAMETERS FOR BUDGET PREPARATION

- The budget preparation is based on wholesale and retail water deliveries of 81,000 acre feet (same amount as 2006/2007).
 - Wholesale deliveries 71,200 acre feet
 - Retail deliveries 9,500 acre feet
 - Transported deliveries 300 acre feet
- The budget is based on a 4% average increase in wholesale and retail water rates. A water rate study update will be completed by HDR Engineering, with proposed updated seasonal rates for wholesale and retail customers. These tentative rates would then be approved by Board action in April 2007.
- Generate a surplus of between \$5 million and \$6 million for fund reserves. This includes the Capital Projects Fund, the Development Fee Fund, the General Equipment Fund, the Emergency Reserve/Self Insurance Fund, and the Conservation Fund.
- Capital Project expenditures of \$29.8 million (net) in fiscal 2007/2008. Major projects include: ground water development, future pipeline right-of-way acquisition, Southwest ground water reclamation project, new pipelines and pipeline replacements, and additional water rights purchases.
- The statutory maximum tax rate would generate property tax revenues of approximately \$12.9 million for the fiscal year ending June 30, 2008. The District, for the current budget parameters, intends on holding a rate hearing to increase the tax rate to the statutory maximum rate of .0004.
- A full allotment of 50,000 acre feet of CUP water from the Central Utah Water Conservancy District. The District anticipates turning back 6,300 acre feet of water to Central Utah for repayment credit.
- A minimum balance of approximately \$2.5 million is required by bond covenants to be maintained in the Revenue Fund (25% of yearly debt service amount).
- A minimum balance of 3 months working capital is required by bond covenants to be maintained in the Operation and Maintenance Fund (currently defined as \$2.8 million).
- A contingency of \$100,000 is included in the Administration Department budget, which upon Board approval, may be used to cover any unanticipated expenses that cause a department to go over budget.
- Operation and Maintenance expenses to remain level. Personnel adjustments anticipate a 4.5% increase, split between COLA and average merit increase.
- No anticipated new personnel positions in the 2007/2008 budget.



JORDAN VALLEY WATER
CONSERVANCY DISTRICT

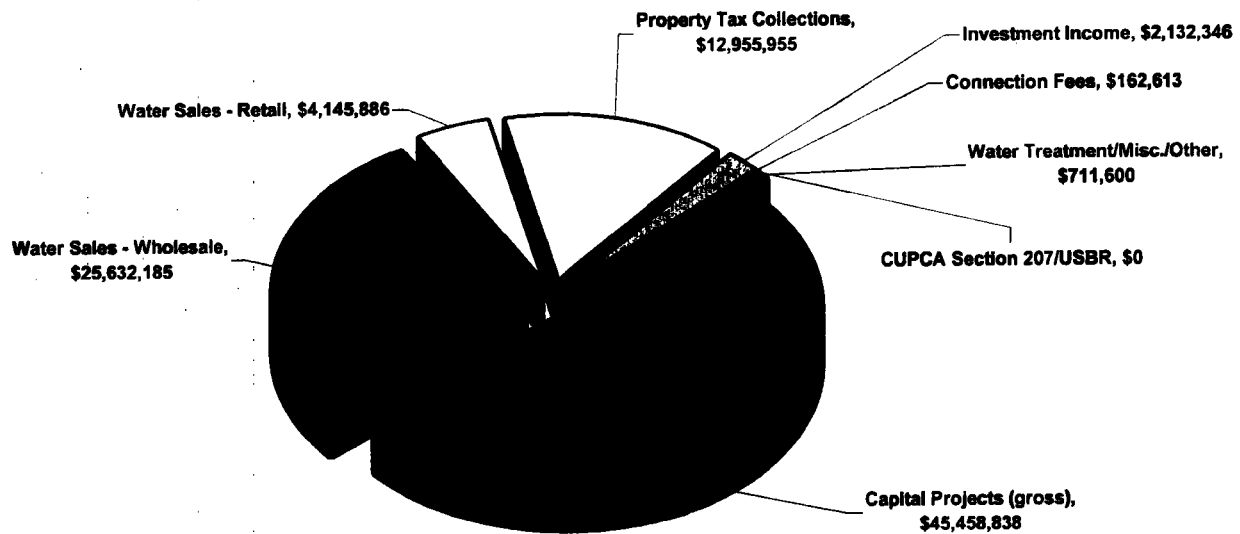
Financial Plan for the 2007/2008 Budget

OVERVIEW

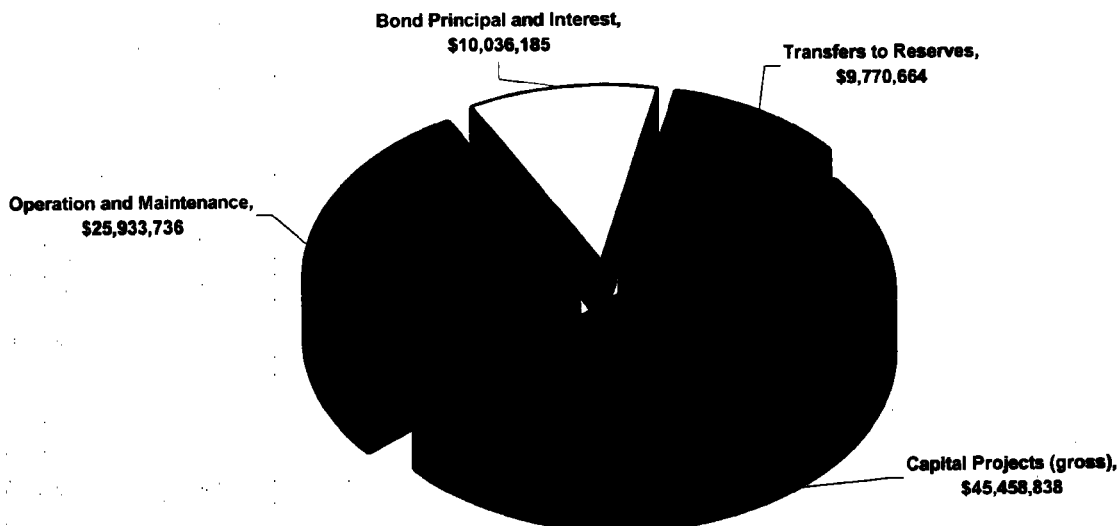
Sources of Funds	Budgeted 2006/2007	Projected 2006/2007	Budgeted 2007/2008	Previous Budget % Change
Water Sales - Wholesale	\$24,586,927	\$24,850,000	\$25,632,185	4.3%
Water Sales - Retail	\$4,275,877	\$4,175,000	\$4,145,886	-3.0%
Property Tax Collections	\$9,237,172	\$9,300,000	\$12,955,955	40.3%
Investment Income	\$1,449,964	\$1,785,678	\$2,132,346	47.1%
Connection Fees	\$157,472	\$145,000	\$162,613	3.3%
CUPCA Section 207/USBR	\$888,000	\$888,750	\$0	-100.0%
Water Treatment/Misc./Other	\$590,200	\$622,200	\$711,600	20.6%
Capital Projects Funds (net)	\$28,448,000	\$22,000,000	\$29,778,041	4.7%
Capital Projects Funds (reimbursement)	\$9,322,000	\$6,000,000	\$15,680,797	68.2%
Total Sources	\$78,955,612	\$69,766,628	\$91,199,423	15.5%
Uses of Funds	Budgeted 2006/2007	Projected 2006/2007	Budgeted 2007/2008	Previous Budget % Change
Operation and Maintenance	\$24,327,133	\$23,855,505	\$25,933,736	6.6%
Bond Principal and Interest	\$10,167,770	\$10,125,000	\$10,036,185	-1.3%
Transfers to Reserve Funds				
• Development Fee Fund	\$157,472	\$145,000	\$162,613	3.3%
• General Equipment Fund	\$900,000	\$900,000	\$900,000	0.0%
• Capital Projects Funds	\$4,401,833	\$5,192,980	\$7,139,687	62.2%
• Emergency Reserve Fund	\$501,404	\$501,404	\$506,625	1.0%
• Conservation Fund*	\$730,000	\$1,046,739	\$1,061,739	45.4%
Capital Projects (gross)	\$37,770,000	\$28,000,000	\$45,458,838	20.4%
Total Uses	\$78,955,612	\$69,766,628	\$91,199,423	15.5%

* In September 2005 the Board authorized an additional \$316,739 of tax revenues to be earmarked for conservation uses.

SOURCES



USES





JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Financial Plan for the 2007/2008 Budget

REVENUE DETAIL

TITLE	Budgeted 2006/2007	Projected 2006/2007	Budgeted 2007/2008
Water Sales			
Wholesale Deliveries	\$24,491,677	\$24,850,000	\$25,533,972
Wholesale Meter Flat Charge	62,500	included above	62,500
Transported Water	32,750	included above	35,713
Retail Deliveries	4,255,272	4,175,000	4,117,110
Fire Line Charges	20,605	included above	28,776
	<u>\$28,862,804</u>	<u>\$29,025,000</u>	<u>\$29,778,071</u>
Property Tax Revenue			
Net Assessed Value	\$8,021,526	\$8,075,000	\$11,733,071
Delinquent Taxes	240,646	250,000	247,884
Vehicle Collections	975,000	975,000	975,000
	<u>\$9,237,172</u>	<u>\$9,300,000</u>	<u>\$12,955,955</u>
Interest Income			
O&M Fund	\$148,750	\$325,000	\$341,250
Revenue Fund	325,000	375,500	395,000
SLGS	15,555	15,555	15,317
Emergency Reserve Fund	93,500	115,000	126,000
Capital Projects Fund	425,000	350,000	315,000
Bond R&R Fund	5,376	6,350	6,956
1992-Debt Service Reserve Fund	163,523	163,523	163,523
2005-Debt Service Reserve Fund	81,500	185,000	185,000
2007 Bond Project Fund	N/A	N/A	305,000
JA Maintenance Fund	3,910	4,750	5,066
JVWTP Maintenance Fund	2,975	3,500	3,859
Development Fee Fund	114,750	116,500	118,125
Conservation Fund	51,000	104,500	131,250
General Equipment Fund	19,125	20,500	21,000
	<u>\$1,449,964</u>	<u>\$1,785,678</u>	<u>\$2,132,346</u>
Connection Fees			
3/4-inch	\$49,538	\$45,000	\$58,880
1-inch, 1½-inch, 2-inch	107,934	100,000	103,733
	<u>\$157,472</u>	<u>\$145,000</u>	<u>\$162,613</u>
Miscellaneous Revenue			
MWD Water, CUWCD Cost Sharing	\$223,000	\$275,000	\$382,500
Jordan Aqueduct Operation	125,000	130,000	135,000
SLGS Maturing Sept. 1, 2007	42,200	42,200	44,100
CUPCA 207 / EPA Grant	888,000	888,750	0
Other Miscellaneous Revenues	200,000	175,000	150,000
	<u>\$1,478,200</u>	<u>\$1,510,950</u>	<u>\$711,600</u>
Total Revenues	\$41,185,612	\$41,766,628	\$45,740,585

OPERATION AND MAINTENANCE DETAIL

OBJ NO	Title	2006/2007 Budget	2006/2007 Projected	2007/2008 Budget		2007/2008 TOTAL
				Wholesale	Retail	
5110	Employee Salaries & Benefits	\$9,999,421	\$9,800,000	\$8,947,552	\$1,396,439	\$10,343,991
5114	Trustee Salaries	40,376	40,000	45,305	7,071	52,376
5165	Unemployment Insurance	7,000	3,250	6,055	945	7,000
5170	General Administrative Expense	120,175	120,175	115,031	17,953	132,984
5210	Lease Expenses	29,160	29,000	32,446	5,064	37,510
5220	Office Supplies Expense	72,223	72,000	79,833	12,459	92,292
5230	Computer Equipment Expense	291,339	285,000	316,971	49,469	366,440
5240	Copy Machine Expense	10,928	10,000	9,353	1,460	10,813
5250	Mailing Expense	52,829	52,500	14,502	39,713	54,215
5260	Safety Expense	39,562	39,500	46,243	7,217	53,460
5310	Equipment - Supplies & Maintenance	149,745	145,000	154,003	24,035	178,038
5320	Lubricants - Equipment	10,041	10,000	10,292	1,606	11,898
5330	Parts - General Equipment	47,474	45,000	72,926	11,382	84,308
5340	Fuel Expense	131,230	131,230	138,891	21,677	160,568
5350	Buildings & Grounds Maintenance	211,935	210,000	193,123	30,141	223,264
5360	System Maintenance Expense	146,308	145,000	81,016	12,644	93,660
5380	Repair & Replacement Expense	517,968	515,000	550,330	85,890	636,220
5390	Utility Location Expense	42,258	40,000	36,782	5,740	42,522
5400	Miscellaneous Property Expense	32,080	30,000	28,242	4,408	32,650
5410	Power Expense	1,818,819	1,800,000	1,646,673	256,995	1,903,668
5420	Heat Expense	132,580	125,000	121,553	18,971	140,524
5430	Sewer Expense	4,464	4,000	4,041	631	4,672
5440	Water Expense	12,500	12,500	11,245	1,755	13,000
5450	Communication Expense	70,855	70,000	44,938	7,013	51,951
5510	Purchases of Water	7,142,190	7,100,000	6,657,360	1,039,010	7,696,370
5520	Water Stock Assessments	571,999	570,000	531,912	83,015	614,927
5610	Public Relations Expense	131,250	130,000	144,881	22,612	167,493
5620	Professional Services - Technical	80,200	80,000	89,874	14,027	103,900
5630	Professional Services - Audit	22,350	22,350	19,636	3,065	22,700
5640	Professional Services - Legal	214,685	210,000	179,215	27,970	207,185
5650	Training & Education Expense	309,048	275,000	280,241	43,737	323,978
5660	Insurance Expense	501,404	500,000	438,231	68,394	506,625
5710	Chemical Expense	871,073	850,000	838,566	130,875	969,441
5720	Lab Expense	67,295	65,000	65,286	10,189	75,475
5730	Pilot Studies Expense	21,000	20,000	15,138	2,363	17,500
5750	Water Quality - Field Expense	8,525	8,000	10,220	1,595	11,815
5760	Water Quality - Miscellaneous	1,000	1,000	0	0	0
5770	Water Quality - Analysis	126,206	125,000	147,759	23,061	170,820
5810	Utility Contingency	100,000	0	86,500	13,500	100,000
6130	Collection Charges on Bonds	167,638	165,000	188,123	29,360	217,483
Total Expenses		\$24,327,133	\$23,855,505	\$22,400,288	\$3,533,448	\$25,933,736

SUMMARY OF CAPITAL PROJECT EXPENDITURES

CP1 Category - Projects Needed To Maintain The System At Current Level Of Service	\$1,091,944
Distribution Pipeline Replacements, Steel Reservoir Recoating, Valve Replacements	(\$52,857)
CP2 Category - Normal, Modest Cost Items Necessary For Upgrading Facilities And Enhancing Facility Function	\$9,817,872
Seismic Improvements to JWTP Chemical and Filter Building, Backup Electrical Generation Equipment, Construction of New Water Supply Building	(\$3,108,654)
CP3 Category - Capital Improvement Projects Of Modest Cost Which Have A Limited Window Of Opportunity To Preserve Options For Future New Supply/Capacity; Or Required To Comply With New Regulations	\$1,422,000
Installation of Chlorine Dioxide Equipment at JWTP, Right-of-Way Acquisition for Future Water Supply Projects, Construction of Pump Stations, Transmission Pipelines, Reservoirs	(\$92,000)
CP4 Category - Groundwater Development	\$11,043,272
Exploratory Drilling and Production Well Drilling at Multiple Locations, Drain Pipelines at Multiple Sites, Equipping and Site Improvements at Multiple Well Sites	
CP5 Category - Discretionary Capital Improvement Projects Which Are Revenue - Producing Or Cost Saving	\$50,000
JA-4 Hydropower Generation Evaluation	(\$14,286)
CP6 Category - Major New Capacity And Supply Projects	\$27,960,000
Southwest Jordan Valley Groundwater Project, Water Rights and Stock Purchases	(\$12,413,000)
CP7 Category - Enlargement Of Retail System, Funded From The Development Fee Fund	\$0
No projects in 2007/2008 Budget year	
CP8 Category - Water Conservation Projects, Funded From The Conservation Budget	\$73,750
Replace Landscaping (Turgrass) at Existing District Sites	
Unanticipated Project Delays	(\$6,000,000)
*amounts shown in red are reimbursements (MWDSL, SWJVG, etc.)	
TOTAL OF ALL CATEGORIES (GROSS)	<u>\$45,458,838</u>

SUMMARY OF OTHER CAPITAL EXPENDITURES
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General Equipment Fund Expenditures	\$608,105
New Tools, General Equipment, Vehicles, Office Equipment, Data Processing	
Conservation Fund Expenditures	\$3,021,746
General Public Education/Information Campaign, State-Wide Media Campaign, Member Agency Assistance Program, Water Check Program, Consulting Services	
Development Fee Fund Expenditures	\$9,796
New Retail Connection Materials	

CAPITAL PROJECT EXPENDITURES

Gross Total \$45,458,838

